

## **Rural Development**

### **Mission**

The mission of Rural Development is to enhance the ability of rural communities to develop, grow, and improve their quality of life by targeting financial and technical resources in areas of greatest need through activities of greatest potential. The Rural Development mission area houses and coordinates programs that are related to rural economic and community development. Led by an Under Secretary of Agriculture for Rural Development, these programs are administered through three agencies and additional organizations:

- Rural Housing Service
- Rural Utilities Service
- Rural Business-Cooperative Service
- Office of Community Development
- Alternative Agricultural Research Commercialization Corporation

### **Products/Services Purchased**

- Information Technology Services
- Information Technology Hardware, Software, Supplies, and Support Equipment
- Professional, Administrative, and Management Support Services
- Maintenance, Repair, and Alteration of Real Property
- Communication Equipment
- Education and Training Services
- Special Studies and Analyses

### **Frequently Asked Questions**

#### **How can I do business with Rural Development?**

1. Do your homework. Verify that your company's goods or services are used by Rural Development.
2. Contact the Rural Development Small Business Coordinator. You may schedule an appointment with the Coordinator to discuss your capabilities and Rural Development's potential requirements.
3. Submit capability statements to the Small Business Coordinator. Your statement should include specific information on the type of products/services your company provides, a listing of your standard industrial classification codes (SIC), and references of previous customers.

### **What kinds of assistance is available to my company?**

The Small Business Coordinator conducts scheduled one-on-one counseling sessions to provide assistance and guidance for small businesses seeking to do business with Rural Development.

### **What qualities is Rural Development looking for in a contractor?**

We are looking for top-notch companies that are recognized for their proven ability and high-quality performance. If you can demonstrate that you can do the job in a timely, professional, cost-effective manner, and your company has a good track record of success in providing the types of services we need, then you are the type of contractor we want.

### **Should I expect a lot of red tape?**

As you know, the Federal Government is currently streamlining its procurement procedures through the implementation of the Federal Acquisition Streamlining Act (FASA). As a result, we are moving more in the direction of a commercial buyer.

Rural Development procures supplies and services through a variety of contracting procedures governed by the Federal Acquisition Regulation (FAR). **(LINK)** These procedures help ensure that we get good quality and value for our money, are fair to competitors, and make the taxpayers' dollar go as far as possible.

Here at Rural Development, we are continuously looking for new and innovative approaches for buying supplies and services. The basic procurement methods we currently use are:

- Simplified Acquisition Procedures - a quicker and easier method of procurements under \$100,000
- Negotiated Contracting - Awarding a contract through discussion and negotiation when price is not the determining factor or when factors other than price (i.e., technical expertise) must be considered.

### **What is a Solicitation?**

A solicitation is the document we use to describe a proposed contract and to explain how to compete for it. The type of solicitation we use depends on the procurement method being utilized.

If Simplified Acquisition Procedures are used, the solicitation document is called a "Request for Quotations" (RFQ). In some instances, price quotations will be solicited verbally (over the phone) and no written document is used.

If the negotiation method is used, the solicitation document is called a "Request for Proposals" (RFP).

### **What are Simplified Acquisition Procedures?**

Simplified Acquisition Procedures is the new term the Government uses for what used to be known as Small Purchasing. These are simple, streamlined methods for making individual purchases that do not exceed \$100,000. Purchases over \$2,500 but not exceeding \$100,000 are reserved exclusively for small businesses.

Purchases under \$2,500 (known as micro-purchases) may be made from either large or small businesses, and usually are made with a Government purchase card.

### **What is Negotiated Contracting?**

Negotiated contracting is used when price is not the determining factor in contract award or when factors other than price (i.e., technical expertise) are considered.

When using the negotiated method, we will issue a Request for Proposals (RFP). Once your proposal is received, it will be evaluated by a panel of technical experts using only the evaluation factors specified in the RFP.

Contract award may sometimes be made without discussions or negotiations. Normally, however, a competitive range is determined based on the technical evaluation results. Discussions are then held with the offerors in the competitive range and each offeror is given an opportunity to submit final proposal revisions. Offers submitted in response to an RFP are confidential and are not released outside the evaluation panel.

### **What is meant by 8(a)?**

This type of contracting refers to Section 8(a) of the U.S. Small Business Act. This Act authorizes the Small Business Administration (SBA) to enter into contracts with other Federal Government agencies. The SBA then subcontracts the actual performance of the work to small businesses owned and controlled by socially and economically disadvantaged individuals. The objective of the 8(a) program is to assist eligible small firms to become independently competitive.

### **How can I tell if my business is "small"?**

Small businesses are defined by size standards established by the Federal Government. Individual standards are expressed as "Standardized Industrial Classification" (SIC) codes for each business category. Sizes are expressed in terms of the number of employees you have or your annual proceeds. The Government determines if a business is large or small by comparing it to the size standards for the SIC code that applies to the proposed goods or services to be bought under the contract.

The SIC codes are published in Part 19 of the Federal Acquisition Regulation.

### **What is the Commerce Business Daily, and how do I get it?**

The Commerce Business Daily (CBD) is a publication issued by the U.S. Department of Commerce every day. It lists all major Federal government solicitations, contract awards, subcontracting opportunities, surplus property sales, and foreign business opportunities. The CBD is where Rural Development and the rest of the Federal Government must announce their proposed contracts expected to exceed \$25,000. Persons who want to do business with the Government should review the publication daily.

You can access the CBD free of charge using the World Wide Web. **(LINK)**

### **Who is the Small Business Coordinator for Rural Development?**

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